

Battle begins in business-software square-off

November 2 2010, By JORDAN ROBERTSON , AP Technology Writer

A battle between two of the world's biggest makers of business software hinges on the value of a trove of millions of stolen customer-support documents.

In its first pitch to a federal jury Tuesday, [Oracle Corp.](#) said archrival SAP AG's plundering of password-protected Oracle websites dealt a \$2 billion blow to Oracle's business.

The attacks on Oracle's resources at times seemed ham-handed.

Oracle said an SAP subsidiary, TomorrowNow, created bogus accounts to get access to walled-off Oracle websites. Once inside, Oracle said, TomorrowNow deployed computer programs that powered through page after page of support documents, "scraping" and saving the contents of those pages as they went.

Oracle spotted the fraud when it noticed an extraordinary amount of downloads coming from accounts that were registered with clearly bad information, such as bad phone numbers ("777-7777") and made-up names ("Tom Now") seemingly connected with the SAP subsidiary. Oracle technicians were also easily able to tell that the downloads went to TomorrowNow servers.

SAP, which is based in Walldorf, Germany, has admitted that the now-shuttered subsidiary secretly siphoned off instruction manuals and technical specifications for Oracle's software. But SAP argues that Oracle's claims of injury are exaggerated. It says it owes Oracle just tens

of millions of dollars, a fraction of the \$2 billion Oracle is seeking.

The jury trial is expected to last six weeks.

The corporate-espionage allegations show how dirty the fight between Oracle and SAP has become as they square off for more of the business of managing corporations' day-to-day computing chores.

It also highlights Oracle's changing role in the business software industry. In the process, Oracle has made some bitter enemies, particularly SAP.

Oracle has been on a \$40 billion shopping spree over the past six years, snapping up companies that have thrust Oracle into selling [business applications](#), an SAP stronghold.

Oracle's main business has historically been selling database software, and it is the industry leader there.

Databases help companies manage their mountains of data. Applications help them do things with data they've amassed, such as cutting payroll checks.

Oracle alleges that SAP has resorted to thievery to poach customers and inflict pain on Oracle following its encroachment on SAP's turf, particularly with its \$10.3 billion acquisition of PeopleSoft in 2005.

Shortly after Oracle announced its intention to buy PeopleSoft, SAP bought TomorrowNow, a company that supported PeopleSoft software. It was a bid to take support business from Oracle and eventually upgrade PeopleSoft customers to SAP products.

In some cases, SAP, through TomorrowNow, had legitimate access to

Oracle's walled-off sites, as TomorrowNow supported Oracle customers and was allowed to use their accounts to look for answers for support questions. But TomorrowNow wasn't allowed to use the data it found there to support other customers, or to download the information to its own computers. It had to stay on the customer's computer.

Oracle, which is based in Redwood Shores, Calif., says SAP re-branded some of its documents and passed them off to customers as SAP's own. Oracle also accuses SAP of making illegal copies of Oracle's software and using them as models for SAP's own offerings.

Oracle CEO Larry Ellison is expected to testify this week. Oracle also wants to call Leo Apotheker, SAP's former CEO and the new CEO of Hewlett-Packard Co., to testify.

Also Tuesday, Oracle announced that it is buying Art Technology Group Inc., which works with companies such as AT&T, Best Buy and CVS to improve their websites and streamline online purchasing. The purchase price is \$1 billion in cash.

©2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Battle begins in business-software square-off (2010, November 2) retrieved 10 May 2024 from <https://phys.org/news/2010-11-business-software-square-off.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--